

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7432**

**BILL NUMBER:** HB 1349

**NOTE PREPARED:** Jan 30, 2007

**BILL AMENDED:**

**SUBJECT:** Legend Drug Prescriptions by Optometrists.

**FIRST AUTHOR:** Rep. Welch

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill allows optometrists who are certified by the Indiana Optometry Board to administer, dispense, and prescribe certain narcotic drugs, codeine with compounds, and hydrocodone with compounds.

The bill repeals a law concerning drug formulary requirements to define drugs which may be: (1) independently prescribed by optometrists, and (2) dependently prescribed by an optometrist in consultation with the patient's physician.

The bill also adds an optometrist to the Controlled Substances Advisory Committee. It makes conforming changes.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** The Professional Licensing Agency oversees the state regulation of optometrists. The promulgation of rules related to this bill may require the 6-member Indiana Optometry Board to meet more often in FY 2008. (The Board currently is required to meet once annually but is scheduled to meet quarterly in CY 2007.) The Agency has estimated the potential increased costs associated with rule revision to be approximately \$1,000. The Agency may also experience an increase in telephone inquiries about the proposed changes. The bill would require the Agency to discard current controlled substance registration (CSR) applications and create new applications that include optometrists. The forms currently are available on the Agency's website. The Agency may also see an increase in disciplinary actions filed against optometrists if prescriptive authority is extended to include controlled substances. This expense would be dependent upon individual circumstances.

The bill also adds an optometrist as a member of the Controlled Substances Advisory Committee. This individual would be entitled to receive a salary per diem and travel expenses associated with meeting attendance. The additional expense would be dependent upon the individual circumstances of the individual filling the appointment and the number of meetings to be attended.

The funds and resources required above could be supplied through a variety of sources, including funds that otherwise would be reverted or from new appropriations. The Professional Licensing Agency reverted \$81,600 in FY 2005 and \$63,329 in FY 2006 to the General Fund. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

**Explanation of State Revenues:** As of January 8, 2007, there are 2,350 active optometrist licenses in Indiana. The cost for an initial application is \$200, and the biennial renewal cost of a license is \$100. The fee for a certificate to administer, dispense, and prescribe legend drugs included in the formulary established by the Board is an additional \$20 biennially. Revenue collected from the optometrist's licensure fees were \$17,029 and \$143,445 for FY 2005 and FY 2006 respectively. These fees are deposited in the state General Fund.

Extending prescriptive authority for controlled substances to optometrists would also increase the number of controlled substances registrations issued by the Board of Pharmacy. The cost of applications or the annual renewals for controlled substances registrations for practitioners is \$60. These fees are also deposited in the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Professional Licensing Agency.

**Local Agencies Affected:**

**Information Sources:** Barbara McNutt, Chief Counsel, Indiana Professional Licensing Agency.

**Fiscal Analyst:** Kathy Norris, 317-234-1360.